DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 31, 1998

ALL COUNTY INFORMATION NOTICE NO. I-51-98	REASON FOR THIS TRANSMITTAL
TO: ALL COUNTY WELFARE DIRECTORS ALL CalWORKs PROGRAM SPECIALISTS	 [] State Law Change [] Federal Law or Regulation

SUBJECT: <u>BENO V. SHALALA AND WELCH V. ANDERSON COURT CASE SETTLEMENTS</u>

The purpose of this All County Information Notice is to inform counties of the settlement reached in the <u>Beno</u> v. <u>Shalala</u> and <u>Welch</u> v. <u>Anderson</u> court cases. These cases challenged the legality of the grant cuts in the Aid to Families with Dependent Children (AFDC) program between December 1992 and May 1996. A class was certified consisting of all persons affected by these AFDC grant cuts.

Under the settlement agreement, the State agreed to divide 40 million dollars equally among class members who could be identified with current addresses in the Medi-Cal Eligibility Data System (MEDS). Two million dollars and the amount of any returned checks from the 40 million dollar distribution will be provided to the Emergency Food Assistance Program. The cash payments will be mailed to class members who received any type of aid that is tracked by the MEDS database in either January 1997 or March 1998. The settlement is being implemented using this database information to generate a list of persons eligible to share in the settlement.

Counties are not required to share in the settlement costs or assume responsibility for implementation of the settlement. In early September, the State Controller's Office will mail warrants of \$39.31 to class members. Enclosed is a copy of the stuffer to be mailed with the warrants. People who do not receive checks will not be able to ask the state or the county for a warrant. Additionally, there is no right to a state hearing related to the amount or receipt of the Beno settlement payments. State hearing rights are not available pursuant to Welfare and Institutions Code Section 10950 et. seq. because there is no county action. Class members and potential class members may call the toll free number (800) 248-8068 for more information.

If you have any questions about the settlement of these cases, please call Mr. Vincent Toolan at (916) 654-1808.

Sincerely,
Original Document Signed By
Charr Lee Metsker on August 31, 1998
CHARR LEE METSKER, Chief
Employment and Eligibility Branch

Attachment

STATE OF CALIFORNIA -HEALTH AND WELFARE AGENCY

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

ABOUT THIS CHECK

A court says that the state must pay this cash aid. This check is to make up for a cut in cash aid you had sometime between December 1992 and May 1996. You do not have to report this money to the county. This money will not lower your cash aid in the month you receive it or in the following month.

This is the only check you will get because of this court order. The court order said how much the check should be and that all the assistance units who got the cut, get the same amount.

The county doesn't have any more information about the check.

If you need more information, you may call the California Department of Social Services at 1-800-248-8068

TEMP 2155 (ENG/SP) (8/98) BENO/WELCH